



## IAPD Report

# ALEXIS J. CRESPO PEREZ

CRD# 4971693

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When communicating online or investing with any professional, make sure you know who you're dealing with. [Imposters](#) might link to sites like BrokerCheck from [phishing](#) or similar scam websites, or through [social media](#), trying to steal your personal information or your money.

Please contact FINRA with any concerns.



## **IAPD Information About Representatives**

IAPD offers information on all current-and many former representatives. Investors are strongly encouraged to use IAPD to check the background of representatives before deciding to conduct, or continue to conduct, business with them.

### **What is included in a IAPD report?**

IAPD reports for individual representatives include information such as employment history, professional qualifications, disciplinary actions, criminal convictions, civil judgments and arbitration awards.

It is important to note that the information contained in an IAPD report may include pending actions or allegations that may be contested, unresolved or unproven. In the end, these actions or allegations may be resolved in favor of the representative, or concluded through a negotiated settlement with no admission or finding of wrongdoing.

### **Where did this information come from?**

The information contained in IAPD comes from the Investment Adviser Registration Depository (IARD) and FINRA's Central Registration Depository, or CRD, (see more on CRD below) and is a combination of:

- information the states require representatives and firms to submit as part of the registration and licensing process, and
- information that state regulators report regarding disciplinary actions or allegations against representatives.

### **How current is this information?**

Generally, representatives are required to update their professional and disciplinary information in IARD within 30 days.

### **Need help interpreting this report?**

For help understanding how to read this report, please consult NASAA's IAPD Tips page <http://www.nasaa.org/IAPD/IARReports.cfm>

### **What if I want to check the background of an Individual Broker or Brokerage Firm?**

To check the background of an Individual Broker or Brokerage firm, you can search for the firm or individual in IAPD. If your search is successful, click on the link provided to view the available licensing and registration information in FINRA's BrokerCheck website.

### **Are there other resources I can use to check the background of investment professionals?**

It is recommended that you learn as much as possible about an individual representative or Investment Adviser firm before deciding to work with them. Your state securities regulator can help you research individuals and certain firms doing business in your state. The contact information for state securities regulators can be found on the website of the North American Securities Administrators Association <http://www.nasaa.org>



## Report Summary

### ALEXIS J. CRESPO PEREZ (CRD# 4971693)

The report summary provides an overview of the representative's professional background and conduct. The information contained in this report has been provided by the representative, investment adviser and/or securities firms, and/or securities regulators as part of the states' investment adviser registration and licensing process. The information contained in this report was last updated by the representative, a previous employing firm, or a securities regulator on **01/05/2026**.

### CURRENT EMPLOYERS

	Firm	CRD#	Registered Since
B	ORIENTAL FINANCIAL SERVICES LLC	CRD# 29753	06/27/2005
IA	ORIENTAL FINANCIAL SERVICES LLC	CRD# 29753	05/06/2021

### QUALIFICATIONS

This representative is currently registered in **1** SRO(s) and **5** jurisdiction(s).

Is this representative currently Inactive or Suspended with any regulator? **No**

**Note:** Not all jurisdictions require IAR registration or may have an exemption from registration.

Additional information including this individual's qualification examinations and professional designations is available in the Detailed Report.

### REGISTRATION HISTORY

This representative was previously registered with the following firm(s):

FIRM	CRD#	LOCATION	REGISTRATION DATES
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No information reported.

For additional registration and employment history details as reported by the individual, refer to the Registration and Employment History section of the Detailed Report.

### DISCLOSURE INFORMATION

Disclosure events include certain criminal charges and convictions, formal investigations and disciplinary actions initiated by regulators, customer disputes and arbitrations, and financial disclosures such as bankruptcies and unpaid judgments or liens.

Are there events disclosed about this representative?

**Yes**

The following types of events are disclosed about this representative:

Type	Count
Customer Dispute	19



## Qualifications

### REGISTRATIONS

This section provides the SRO, states and U.S. territories in which the representative is currently registered and licensed, the category of each registration, and the date on which the registration becomes effective. This section also provides, for each firm with which the representative is currently employed, the address of each location where the representative works. This individual is currently registered with 5 jurisdiction(s) and 1 SRO(s) through his or her employer(s).

### Employment 1 of 1

Firm Name: **ORIENTAL FINANCIAL SERVICES LLC**  
Main Address: 270 MUNOZ RIVERA AVE  
SUITE MEZZANINE  
SAN JUAN, PR 00918  
Firm ID#: 29753

	Regulator	Registration	Status	Date
<b>B</b>	FINRA	General Securities Representative	Approved	06/27/2005
<b>B</b>	Florida	Agent	Approved	04/02/2019
<b>B</b>	Georgia	Agent	Approved	11/23/2021
<b>B</b>	Ohio	Agent	Approved	05/15/2023
<b>B</b>	Puerto Rico	Agent	Approved	06/27/2005
<b>IA</b>	Puerto Rico	Investment Adviser Representative	Approved	05/06/2021
<b>B</b>	Virginia	Agent	Approved	12/18/2025

### Branch Office Locations

**ORIENTAL FINANCIAL SERVICES LLC**  
254 MUNOZ RIVERA AVE  
11TH FLOOR  
SAN JUAN, PR 00918

**ORIENTAL FINANCIAL SERVICES LLC**  
Las Vistas Shopping Village,  
Ave. Las Cumbres  
San Juan, PR 00926



## Qualifications



### PASSED INDUSTRY EXAMS

This section includes all industry exams that the representative has passed. Under limited circumstances, a representative may attain registration after receiving an exam waiver based on a combination of exams the representative has passed and qualifying work experience. Likewise a new exam requirement may be grandfathered based on a representative's specific qualifying work experience. Exam waivers and grandfathering are not included below.

**This individual has passed 0 principal/supervisory exams, 2 general industry/product exams, and 1 state securities law exam.**

#### Principal/Supervisory Exams

Exam	Category	Date
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No information reported.

#### General Industry/Product Exams

Exam	Category	Date
<b>B</b> Securities Industry Essentials Examination (SIE)	SIE	10/01/2018
<b>B</b> General Securities Representative Examination (S7)	Series 7	06/24/2005

#### State Securities Law Exams

Exam	Category	Date
<b>IA</b> <b>B</b> Uniform Combined State Law Examination (S66)	Series 66	04/30/2021



### PROFESSIONAL DESIGNATIONS

This section details that the representative has reported **0** professional designation(s).

No information reported.



## Registration & Employment History

### PREVIOUSLY REGISTERED WITH THE FOLLOWING FIRMS

This representative held registrations with the following firms:

No information reported.

### EMPLOYMENT HISTORY

Below is the representative's employment history for up to the last 10 years.

Employment Dates	Employer Name	Position	Investment Related	Employer Location
04/2005 - Present	ORIENTAL FINANCIAL SERVICES	REGISTERED REPRESENTATIVE	Y	SAN JUAN, PR, United States

### OTHER BUSINESS ACTIVITIES

This section includes information, if any, as provided by the representative regarding other business activities the representative is currently engaged in either as a proprietor, partner, officer, director, employee, trustee, agent, or otherwise. This section does not include non-investment related activity that is exclusively charitable, civic, religious, or fraternal and is recognized as tax exempt.

Insurance agent of Oriental Insurance LLC (OIN), OFS affiliate. Sales of life, fixed and variable annuities as part of the product offerings to clients for diversification. All commissions are known to OFS and same payout grid as other OFS products. One to two hours a week. Marketing material provided by OIN and insurance companies. Office of Commissioner of Insurance of PR issue the license in certificate and wallet format.



## Disclosure Summary

### Disclosure Information

#### What you should know about reported disclosure events:

##### (1) Certain thresholds must be met before an event is reported to IARD, for example:

- A law enforcement agency must file formal charges before an Investment Adviser Representative is required to report a particular criminal event.;
- A customer dispute must involve allegations that an Investment Adviser Representative engaged in activity that violates certain rules or conduct governing the industry and that the activity resulted in damages of at least \$5,000.

##### (2) Disclosure events in IAPD reports come from different sources:

As mentioned in the "About IAPD" section on page 1 of this report, information contained in IAPD comes from Investment Adviser Representatives, firms and regulators. When more than one of these sources reports information for the same disclosure event, all versions of the event will appear in the IAPD report. The different versions will be separated by a solid line with the reporting source labeled.

##### (3) There are different statuses and dispositions for disclosure events:

- A disclosure event may have a status of *pending*, *on appeal*, or *final*.
  - A "pending" disclosure event involves allegations that have not been proven or formally adjudicated.
  - A disclosure event that is "on appeal" involves allegations that have been adjudicated but are currently being appealed.
  - A "final" disclosure event has been concluded and its resolution is not subject to change.
- A final disclosure event generally has a disposition of *adjudicated*, *settled* or *otherwise resolved*.
  - An "adjudicated" matter includes a disposition by (1) a court of law in a criminal or civil matter, or (2) an administrative panel in an action brought by a regulator that is contested by the party charged with some alleged wrongdoing.
  - A "settled" matter generally represents a disposition wherein the parties involved in a dispute reach an agreement to resolve the matter. Please note that Investment Adviser Representatives and firms may choose to settle customer disputes or regulatory matters for business or other reasons.
  - A "resolved" matter usually includes a disposition wherein no payment is made to the customer or there is no finding of wrongdoing on the part of the Investment Adviser Representative. Such matters generally involve customer disputes.

##### (4) You may wish to contact the Investment Adviser Representatives to obtain further information regarding any of the disclosure events contained in this IAPD report.



## DISCLOSURE EVENT DETAILS

When evaluating this information, please keep in mind that some items may involve pending actions or allegations that may be contested and have not been resolved or proven. The event may, in the end, be withdrawn, dismissed, resolved in favor of the Investment Adviser Representative, or concluded through a negotiated settlement with no admission or finding of wrongdoing.

This report provides the information exactly as it was reported to the Investment Adviser Registration Depository. Some of the specific data fields contained in the report may be blank if the information was not provided.

The following types of events are disclosed about this representative:

Type	Count
Customer Dispute	19

### Customer Dispute

This section provides information regarding a customer dispute that was reported to the Investment Adviser Registration Depository (IARD) by the Investment Adviser Representative (IAR), an investment adviser and/or securities firm, and/or a securities regulator. The event may include a consumer-initiated, investment-related complaint, arbitration proceeding or civil suit that contains allegations of sales practice violations against the individual.

The customer dispute may be pending or may have resulted in a civil judgment, arbitration award, monetary settlement, closure without action, withdrawal, dismissal, denial, or other outcome.

#### Disclosure 1 of 19

<b>Reporting Source:</b>	Individual
<b>Employing firm when activities occurred which led to the complaint:</b>	ORIENTAL FINANCIAL SERVICES LLC
<b>Allegations:</b>	Claimants are senior investors who claim lost lifetime savings because of unsuitable recommendations to purchase and HOLD investments, overconcentration and misrepresentations made by RESPONDENT to Claimants.
<b>Product Type:</b>	Other: Puerto Rico Close-end funds and Puerto Rico Municipal Bonds
<b>Alleged Damages:</b>	\$95,000.00
<b>Is this an oral complaint?</b>	No
<b>Is this a written complaint?</b>	Yes
<b>Is this an arbitration/CFTC reparation or civil litigation?</b>	No

### Customer Complaint Information

<b>Date Complaint Received:</b>	02/07/2024
<b>Complaint Pending?</b>	No
<b>Status:</b>	Settled
<b>Status Date:</b>	03/19/2025
<b>Settlement Amount:</b>	\$5,000.00
<b>Individual Contribution Amount:</b>	\$0.00



**Disclosure 2 of 19**

**Reporting Source:** Individual

**Employing firm when activities occurred which led to the complaint:** ORIENTAL FINANCIAL SERVICES LLC

**Allegations:** Since January 2016 account stop paying dividends. The claimant requests a simple monetary relief of \$50,000 in compensatory damages for unpaid dividends from the Respondent.

**Product Type:** Debt-Municipal

**Alleged Damages:** \$50,000.00

**Alleged Damages Amount Explanation (if amount not exact):** Client is requesting 50000 due to stop of interest payment once a bond defaulted.

**Is this an oral complaint?** No

**Is this a written complaint?** Yes

**Is this an arbitration/CFTC reparation or civil litigation?** Yes

**Arbitration/Reparation forum or court name and location:** FINRA Office of Dispute Resolution - Southeast Regional Office

**Docket/Case #:** 23-03154

**Filing date of arbitration/CFTC reparation or civil litigation:** 10/26/2023

**Customer Complaint Information**

**Date Complaint Received:** 10/27/2023

**Complaint Pending?** No

**Status:** Withdrawn

**Status Date:** 01/24/2024

**Settlement Amount:**

**Individual Contribution Amount:**

**Disclosure 3 of 19**

**Reporting Source:** Individual

**Employing firm when activities occurred which led to the complaint:** ORIENTAL FINANCIAL SERVICES

**Allegations:** PERIOD 2008 TO 8/2013. Alleges Misrepresentations and omissions, breach of fid duty, breach of contract, unsuitable investment recommendations, fraud, negligence

**Product Type:** Debt-Municipal  
Other: PUERTO RICO CLOSED END FUNDS



<b>Alleged Damages:</b>	\$220,000.00
<b>Alleged Damages Amount Explanation (if amount not exact):</b>	CLAIM INDICATES \$120,000 FOR DAMAGES BUT LAST PAGE INDICATES \$220,000.
<b>Is this an oral complaint?</b>	No
<b>Is this a written complaint?</b>	Yes
<b>Is this an arbitration/CFTC reparation or civil litigation?</b>	Yes
<b>Arbitration/Reparation forum or court name and location:</b>	FINRA
<b>Docket/Case #:</b>	19-02457
<b>Filing date of arbitration/CFTC reparation or civil litigation:</b>	08/22/2019

### Customer Complaint Information

<b>Date Complaint Received:</b>	08/26/2019
<b>Complaint Pending?</b>	No
<b>Status:</b>	Settled
<b>Status Date:</b>	09/20/2021
<b>Settlement Amount:</b>	\$18,000.00
<b>Individual Contribution Amount:</b>	\$0.00

### Disclosure 4 of 19

<b>Reporting Source:</b>	Individual
<b>Employing firm when activities occurred which led to the complaint:</b>	ORIENTAL FINANCIAL SERVICES
<b>Allegations:</b>	PERIOD 2004 TO MAY 2013. Alleges Misrepresentations and omissions, breach of fid duty, breach of contract,unsuitable investment recommendations,fraud, negligence
<b>Product Type:</b>	Debt-Municipal Other: PUERTO RICO CLOSED END FUNDS
<b>Alleged Damages:</b>	\$500,000.00
<b>Is this an oral complaint?</b>	No
<b>Is this a written complaint?</b>	Yes
<b>Is this an arbitration/CFTC reparation or civil litigation?</b>	Yes
<b>Arbitration/Reparation forum or court name and location:</b>	FINRA
<b>Docket/Case #:</b>	19-02537



Filing date of arbitration/CFTC reparation or civil litigation: 08/23/2019

### Customer Complaint Information

Date Complaint Received: 08/26/2019

Complaint Pending? No

Status: Settled

Status Date: 08/02/2022

Settlement Amount: \$65,000.00

Individual Contribution Amount: \$0.00

### Disclosure 5 of 19

Reporting Source: Individual

Employing firm when activities occurred which led to the complaint: ORIENTAL FINANCIAL SERVICES

Allegations: PERIOD 2009-2014. Alleges Misrepresentations and omissions, breach of fid duty, breach of contract, unsuitable investment recommendations, fraud, negligence

Product Type: Other: PUERTO RICO BONDS

Alleged Damages: \$300,000.00

Is this an oral complaint? No

Is this a written complaint? Yes

Is this an arbitration/CFTC reparation or civil litigation? Yes

Arbitration/Reparation forum or court name and location: FINRA

Docket/Case #: 19-01572

Filing date of arbitration/CFTC reparation or civil litigation: 06/04/2019

### Customer Complaint Information

Date Complaint Received: 06/05/2019

Complaint Pending? No

Status: Settled

Status Date: 09/09/2022

Settlement Amount: \$25,000.00

Individual Contribution Amount: \$0.00

### Disclosure 6 of 19

Reporting Source: Regulator

**Employing firm when activities occurred which led to the complaint:**

Oriental Financial Services Corp.

**Allegations:**

Alexis J. Crespo Perez was a subject of the customer's complaint against his member firm that asserted the following causes of action: violation of duties owed to Claimants; negligence and breach of fiduciary duty; breach of contract; failure to review and update; violation of industry rules and standards of professional care; unsuitability; violation of standards of commercial honor and principles of trade; use of manipulative, deceptive or other fraudulent devices; liability for employees and member misconduct; and other violations of law. The causes of action relate to the purchase of the Puerto Rico Bond in Claimants' account.

**Product Type:**

Other: Puerto Rico Bond

**Alleged Damages:**

\$50,000.00

**Arbitration Information****Arbitration/Reparation Claim filed with and Docket/Case No.:**[FINRA - CASE #19-01124](#)**Date Notice/Process Served:**

04/23/2019

**Arbitration Pending?**

No

**Disposition:**

Award

**Disposition Date:**

03/24/2020

**Disposition Detail:**

Alexis J. Crespo Perez was a Subject Of the customer's complaint alleging Crespo Perez and his member firm caused sales practice violations. Crespo Perez's member firm is liable for and shall pay to Claimants \$37,000.00, plus interest; and is liable for and shall pay to Claimants \$600.00 to reimburse Claimants for the filing fee previously paid to FINRA Office of Dispute Resolution.

.....

**Reporting Source:**

Individual

**Employing firm when activities occurred which led to the complaint:**

ORIENTAL FINANCIAL SERVICES

**Allegations:**

PERIOD 1/2008. Alleges UNSUITABLE RECOMMENDATIONS AND CONCENTRATION IN PR ECONOMY.

**Product Type:**

Debt-Municipal

**Alleged Damages:**

\$50,000.00

**Is this an oral complaint?**

No

**Is this a written complaint?**

Yes

**Is this an arbitration/CFTC reparation or civil litigation?**

Yes

**Arbitration/Reparation forum or court name and location:**

finra

**Docket/Case #:**

19-01124

**Filing date of arbitration/CFTC reparation or civil litigation:**

04/23/2019



## Customer Complaint Information

**Date Complaint Received:** 05/01/2019

**Complaint Pending?** No

**Status:** Arbitration Award/Monetary Judgment (for claimants/plaintiffs)

**Status Date:** 03/24/2020

**Settlement Amount:** \$37,000.00

**Individual Contribution Amount:** \$0.00

### Disclosure 7 of 19

**Reporting Source:** Individual

**Employing firm when activities occurred which led to the complaint:** ORIENTAL FINANCIAL SERVICES

**Allegations:** PERIOD 3/2008 TO 3/2012. Allegations concentration , misrepresentation and omissions, breach of fid duty, negligence, breach of contract against Santander SEcurities and OFS.

**Product Type:** Debt-Municipal

**Alleged Damages:** \$200,000.00

**Is this an oral complaint?** No

**Is this a written complaint?** Yes

**Is this an arbitration/CFTC reparation or civil litigation?** Yes

**Arbitration/Reparation forum or court name and location:** finra

**Docket/Case #:** 18-04084

**Filing date of arbitration/CFTC reparation or civil litigation:** 11/30/2018

## Customer Complaint Information

**Date Complaint Received:** 11/30/2018

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 08/26/2021

**Settlement Amount:** \$15,000.00

**Individual Contribution Amount:** \$0.00

### Disclosure 8 of 19

**Reporting Source:** Individual



**Employing firm when activities occurred which led to the complaint:** ORIENTAL FINANCIAL SERVICES

**Allegations:** UNKNOWN PERIOD CANNOT FIND ACCT.MISREPRESENTATION, UNSUITABLE,OMMISSION, NEGLIGENT.

**Product Type:** Debt-Municipal

**Alleged Damages:** \$80,000.00

**Alleged Damages Amount Explanation (if amount not exact):** CANNOT DETERMINE AMOUNT. CLAIM INDICATES INVESTMENT \$80,000 BUT NOT LOSS. ARBITRATION INCLUDES ANOTHER 4 JOINT CUSTOMERS FROM ANOTHER RR. CANNOT FIND ACCOUNT IN OUR SYSTEM.

**Is this an oral complaint?** No

**Is this a written complaint?** Yes

**Is this an arbitration/CFTC reparation or civil litigation?** Yes

**Arbitration/Reparation forum or court name and location:** FINRA

**Docket/Case #:** 18-02118

**Filing date of arbitration/CFTC reparation or civil litigation:** 06/06/2018

### Customer Complaint Information

**Date Complaint Received:** 06/12/2018

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 10/31/2019

**Settlement Amount:** \$12,500.00

**Individual Contribution Amount:** \$0.00

**Broker Statement** Estimate of settlement for this claimant \$100,000 divided by 8, for \$12,500 per party.

### Disclosure 9 of 19

**Reporting Source:** Individual

**Employing firm when activities occurred which led to the complaint:** ORIENTAL FINANCIAL SERVICES

**Allegations:** Purchases 2008-2011. Misrepresentation to hold PR shares and bonds,breach of Fid DUTY,concentration in PR bonds and PR funds, negligence, supervisory negligence

**Product Type:** Debt-Municipal  
Other: PR OPENED END FUND AND CEF

**Alleged Damages:** \$201,172.00

**Is this an oral complaint?** No



**Is this a written complaint?** Yes

**Is this an arbitration/CFTC reparation or civil litigation?** Yes

**Arbitration/Reparation forum or court name and location:** FINRA

**Docket/Case #:** 18-01210

**Filing date of arbitration/CFTC reparation or civil litigation:** 04/03/2018

### Customer Complaint Information

**Date Complaint Received:** 04/04/2018

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 01/21/2021

**Settlement Amount:** \$12,500.00

**Individual Contribution Amount:** \$0.00

### Disclosure 10 of 19

**Reporting Source:** Individual

**Employing firm when activities occurred which led to the complaint:** ORIENTAL FINANCIAL SERVICES

**Allegations:** ALLEGES MISREPRESENTATION OF RISKS PR BONDS AND PR CEF, UNSUITABLE RECOMMENDATIONS, BREACH OF FID DUTY, BREACH OF CONTRACT, FAIL TO SUPERVISE, FRAUD, NEGLIGENCE

**Product Type:** Debt-Municipal  
Other: PR CEF

**Alleged Damages:** \$200,000.00

**Is this an oral complaint?** No

**Is this a written complaint?** Yes

**Is this an arbitration/CFTC reparation or civil litigation?** Yes

**Arbitration/Reparation forum or court name and location:** FINRA

**Docket/Case #:** 18-00579

**Filing date of arbitration/CFTC reparation or civil litigation:** 02/12/2018

### Customer Complaint Information

**Date Complaint Received:** 02/14/2018

**Complaint Pending?** No



**Status:** Settled  
**Status Date:** 08/24/2021  
**Settlement Amount:** \$20,000.00  
**Individual Contribution Amount:** \$0.00

#### Disclosure 11 of 19

**Reporting Source:** Individual  
**Employing firm when activities occurred which led to the complaint:** ORIENTAL FINANCIAL SERVICES  
**Allegations:** CLIENT ALLEGES UNSUITABLE, BREACH FIDUCIARY DUTY, CONCENTRATION, FRAUD, NEGLIGENCE, FAILURE TO SUPERVISE  
**Product Type:** Debt-Municipal  
**Alleged Damages:** \$175,000.00  
**Is this an oral complaint?** No  
**Is this a written complaint?** Yes  
**Is this an arbitration/CFTC reparation or civil litigation?** Yes  
**Arbitration/Reparation forum or court name and location:** FINRA  
**Docket/Case #:** 18-00012  
**Filing date of arbitration/CFTC reparation or civil litigation:** 12/28/2017

#### Customer Complaint Information

**Date Complaint Received:** 01/05/2018  
**Complaint Pending?** No  
**Status:** Settled  
**Status Date:** 09/20/2021  
**Settlement Amount:** \$25,000.00  
**Individual Contribution Amount:** \$0.00  
**Broker Statement** PR GDB BOND PURCHASED IN 12-22-2011

#### Disclosure 12 of 19

**Reporting Source:** Individual  
**Employing firm when activities occurred which led to the complaint:** ORIENTAL FINANCIAL SERVICES CORP.  
**Allegations:** Customer claims Oriental Financial Services concealed to negligently hold a concentrated position in Puerto Rico Bonds in the customer's detriment.





**Product Type:** Debt-Municipal

**Alleged Damages:** \$600,000.00

**Is this an oral complaint?** No

**Is this a written complaint?** Yes

**Is this an arbitration/CFTC reparation or civil litigation?** Yes

**Arbitration/Reparation forum or court name and location:** FINRA

**Docket/Case #:** 17-02340

**Filing date of arbitration/CFTC reparation or civil litigation:** 08/30/2017

### Customer Complaint Information

**Date Complaint Received:** 09/12/2017

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 07/24/2019

**Settlement Amount:** \$75,000.00

**Individual Contribution Amount:** \$0.00

### Disclosure 13 of 19

**Reporting Source:** Individual

**Employing firm when activities occurred which led to the complaint:** Oriental Financial Services Coro.

**Allegations:** Customer allege OFS misrepresented the risk of the investments and the account as low risk when in fact the portfolio was too aggressive and speculative for a retiree.

**Product Type:** Debt-Municipal  
Other: PR Closed End Funds

**Alleged Damages:** \$400,000.00

**Is this an oral complaint?** No

**Is this a written complaint?** Yes

**Is this an arbitration/CFTC reparation or civil litigation?** Yes

**Arbitration/Reparation forum or court name and location:** FINRA

**Docket/Case #:** 17-01691

**Filing date of arbitration/CFTC reparation or civil litigation:** 06/26/2017

**Customer Complaint Information**

**Date Complaint Received:** 07/06/2017  
**Complaint Pending?** No  
**Status:** Settled  
**Status Date:** 06/04/2019  
**Settlement Amount:** \$18,000.00  
**Individual Contribution Amount:** \$0.00

**Disclosure 14 of 19**

**Reporting Source:** Individual  
**Employing firm when activities occurred which led to the complaint:** ORIENTAL FINANCIAL SERVICES CORP.

**Allegations:** Customer allege that account was concentrated in Puerto Rico Government Bonds ("PRGBs") and Puerto Rico Closed-end Bond Funds ("PR CEFs). The customer allege they were misrepresented the risk of the investments and the account as low risk when in fact the portfolio was too aggressive and speculative for two retirees.

**Product Type:** Debt-Municipal  
Other: CLOSED END MUTUAL FUNDS

**Alleged Damages:** \$500,000.00

**Is this an oral complaint?** No

**Is this a written complaint?** Yes

**Is this an arbitration/CFTC reparation or civil litigation?** Yes

**Arbitration/Reparation forum or court name and location:** FINRA

**Docket/Case #:** 16-02971

**Filing date of arbitration/CFTC reparation or civil litigation:** 10/12/2016

**Customer Complaint Information**

**Date Complaint Received:** 10/18/2016  
**Complaint Pending?** No  
**Status:** Settled  
**Status Date:** 02/01/2019  
**Settlement Amount:** \$92,000.00  
**Individual Contribution Amount:** \$0.00

**Broker Statement** These allegations will be proven to be false and I will defend myself against them. I knew this client for years because they were my neighbor a few years. Those clients are very experienced investor with over 25 years of securities industry.



They worked in the past with growth and fixed income products. He worked as a Judge in the Department of Justice of PR, they read all proposal and marketing material such as fact sheet , analyze the information and make decisions base of information given. When they come to my office, they expressed all the disappointment with the other brokerage firm UBS in terms of overconcentration in Puerto Fixed Income Products, closed-end funds, margin credit line that use to liquidate the mortgage balance and others personal problems they were facing and that moment. He receives income from investments, a pension income from ELA and Social Security and also works part-time as a consultant and notary services with a low debt margin including the line of credit of UBS and the custody of their grandson. The allocation of the investment was according the customer and his wife objectives, 25% in PR Bonds including 62% in COFINA Bonds that was rated A+ at the time of the purchase, a 47% in open-end funds with a average quality of A at the time of the purchase, 18% in US Income Mutual funds including Unit Investment Trust and only 10% in closed-end funds including Target Maturities and Federal Agency Bonds allocation closed- end funds. I met with [customer] periodically to discuss the account, I prepared reports of the income, callable dates, etc related with the movement of the account and review the monthly statements with the clients and her daughter. Also they has access to the Brokerage Web Site and was continuously monitoring the account and the excess in cash in the bank account. The liquidity needs was low and the time horizon of the clients was long term investment. In 2011 the client was aware of Puerto Rico downgrading matters, I always presented the risks associated with the investments and the alternatives to move to others US Income products. During my tenure as the broker of the account, the client made substantial amount of gains and received income as well as invested to protect against estate taxes.

#### Disclosure 15 of 19

<b>Reporting Source:</b>	Individual
<b>Employing firm when activities occurred which led to the complaint:</b>	ORIENTAL FINANCIAL SERVICES CORP.
<b>Allegations:</b>	Customer alleges FC told them investment were insured.
<b>Product Type:</b>	Other: CLOSED END MUTUAL FUNDS
<b>Alleged Damages:</b>	\$39,732.00
<b>Alleged Damages Amount Explanation (if amount not exact):</b>	The amount represent the losses from the sale of the Closed end funds.
<b>Is this an oral complaint?</b>	No
<b>Is this a written complaint?</b>	Yes
<b>Is this an arbitration/CFTC reparation or civil litigation?</b>	No

#### Customer Complaint Information

<b>Date Complaint Received:</b>	02/19/2016
<b>Complaint Pending?</b>	No
<b>Status:</b>	Closed/No Action
<b>Status Date:</b>	01/11/2019
<b>Settlement Amount:</b>	

**Individual Contribution Amount:****Disclosure 16 of 19**

**Reporting Source:** Individual

**Employing firm when activities occurred which led to the complaint:** Oriental Financial Services

**Allegations:** Customer alleged that due to their advanced age, close to zero risk tolerance, OFS has the duty and obligation to exercise special care in handling of their Accounts.

**Product Type:** Debt-Municipal  
Other: Closed End Mutual Funds

**Alleged Damages:** \$250,855.00

**Is this an oral complaint?** No

**Is this a written complaint?** Yes

**Is this an arbitration/CFTC reparation or civil litigation?** Yes

**Arbitration/Reparation forum or court name and location:** FINRA

**Docket/Case #:** 15-02717

**Filing date of arbitration/CFTC reparation or civil litigation:** 10/06/2015

**Customer Complaint Information**

**Date Complaint Received:** 10/27/2015

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 11/21/2019

**Settlement Amount:** \$45,000.00

**Individual Contribution Amount:** \$0.00

**Broker Statement**

I deny all allegations in this claim and wish the complete elimination of it from my record, and to assign the claim to his former advisor. These clients are very experienced investors that have a history in wealth management firms including one of their sons was a former broker at UBS in 90's. I was assigned the first account from the clients in April 2009. At the time, the customer maintained only GNMA's that seek monthly income and liquidity. I made two transactions in the account with the authorization of both clients which were a purchase of \$75k COFINA (Sales Tax Revenue Bond) that at the time of purchase was classified A-by Standard and Poor and US Unit Investment Trust positions that are not related to the Puerto Rico credit problem. The transactions subject to the complaint were made during the years 2009 through 2012. The clients made all transactions in UBS with his former advisor. Subsequently, those positions were transferred to Oriental Financial Services (Oriental) via ACATS because advisor move from UBS to Oriental. Their former advisor no longer works at Oriental. When the former advisor left Oriental, I was assigned two additional brokerage accounts, I



encouraged clients to participate in Repurchase of Units offer by UBS ASSET Management when prices was 8.0 to 6.2, and the clients prefer to hold the securities and continue receiving the income. Those clients had cash in bank accounts approximately \$1,000,000 and the customer continued working as a insurance agent with income of over \$250k per year. During my tenure as the broker of record, the client made a substantial amount of gains and received income as well as invested to protect against estate taxes. I will seek to defend myself, and will pursue any and all remedies afforded to me to clear my name and record.

**Disclosure 17 of 19****Reporting Source:**

Individual

**Employing firm when activities occurred which led to the complaint:**

ORIENTAL FINANCIAL SERVICES

**Allegations:**

THE CUSTOMER ALLEGE UNSUITABLE AND VIOLATED OFS'S FIDUCIARY DUTY TO THE CLAIMANTS. ADDITIONALLY, OFS FAILED TO EXPLAIN THE RISK OF THE SECURITIES, INCLUDING THE RISK OF LONG DURATION, RISK OF CONCENTRATION, RISK OF CREDIT QUALITY AND LACK OF DIVERSIFICATION.

**Product Type:**

Debt-Government  
Other: PR CLOSED MUTUAL FUNDS

**Alleged Damages:**

\$1,000,000.00

**Alleged Damages Amount Explanation (if amount not exact):**

BASED ON CLAIMANTS' DAMAGE THEORY CALCULATED ON HOW THE MONEY WOULD HAVE FARED HAD THEIR MONIES BEEN INVESTED IN SUITABLE INVESTMENTS.

**Is this an oral complaint?**

No

**Is this a written complaint?**

Yes

**Is this an arbitration/CFTC reparation or civil litigation?**

Yes

**Arbitration/Reparation forum or court name and location:**

finra

**Docket/Case #:**

14-03564

**Filing date of arbitration/CFTC reparation or civil litigation:**

11/25/2014

**Customer Complaint Information****Date Complaint Received:**

12/04/2014

**Complaint Pending?**

No

**Status:**

Settled

**Status Date:**

02/01/2018

**Settlement Amount:**

\$75,000.00

**Individual Contribution Amount:**

\$0.00

**Arbitration Information**



<b>Disposition:</b>	Settled
<b>Disposition Date:</b>	02/01/2018
<b>Broker Statement</b>	<p>Details reentered in 7, previous error information entered in line 12.</p> <p>RR COMMENTS-</p> <p>I DENY THE ALLEGATIONS AND BELIEVE THEY WILL BE FOUND TO BE WITHOUT MERIT. CLIENT IS A VERY EXPERIENCED INVESTOR WHO SEEK EXEMPT INCOME IN DIFFERENT OTHERS BROKERAGE FIRMS, CLIENT'S KNOWS THE ECONOMIC AND FISCAL SITUATION OF PUERTO RICO CREDIT SITUATION BECAUSE SHE WAS RETIRING FROM ONE OF THEIR AGENCIES. I ALWAYS PRESENTED THE RISKS ASSOCIATED WITH CONCENTRATION IN PUERTO RICO SECURITIES, SHE ALWAYS STUDIED WITH THE PROSPECTUS BEFORE EVERY DECISION OF PURCHASE ANY SECURITIES. CLIENT CALLED MY OFFICE AT EVERY NEW ISSUE OF PUERTO RICO BONDS, BECAUSE HER MAIN OBJECTIVE WAS TAX EXEMPT, THE HIGHEST COUPON THAT INCLUDED THE LONGEST MATURITY, AND HOLD THE SECURITIES UNTIL MATURITY. THE LAST TRANSACTIONS MADE IN THAT ACCOUNT , I WARNED HER IN A STATEMENT NOT TO CONTINUE INVESTING IN FIXED INCOME OF PUERTO RICO GIVING OTHERS OPTIONS OUTSIDE PUERTO RICO JURISDICTION, BUT THE CLIENTS REFUSED. CLIENT TRANSFERRED ANOTHER ACCOUNT FROM ANOTHER BROKERAGE FIRM WITH THE STATEMENT THAT WANT A CONSOLIDATION OF ALL OF THEIR BROKERAGE ACCOUNTS , AND I MADE AWARE THE CLIENT THAT A CLOSED END FUND WILL BE RECEIVED, THAT THE ONLY WAY TO DISPOSE THAT SECURITY WAS TO SELL AT NET ASSET VALUE, BUT THE CLIENT REFUSE TO SELL THEM BECAUSE IT WAS BELOW HER COST. IN THE MIDDLE OF 2014, THE CLIENT WAS STILL LOOKING FOR A PR G.O. BOND AT DISCOUNT. I SHOULD NOT BE HELD RESPONSIBLE FOR THE DOWNTURN IN THE ECONOMY, WHICH I HAVE NO CONTROL OVER AND FOR THE IMPACT OF THE INVESTMENTS.</p>
<b>Disclosure 18 of 19</b>	
<b>Reporting Source:</b>	Individual
<b>Employing firm when activities occurred which led to the complaint:</b>	ORIENTAL FINANCIAL SERVICES
<b>Allegations:</b>	THE CLAIMANTS ALLEGE UNSUITABLE OVER CONCENTRATION AND EXPOSURE OF THEIR BROKERAGE ACCOUNTS TO PUERTO RICO MUNICIPAL BONDS AND BOND FUNDS, UNSUITABLE INVESTMENTS IN RISKY PUERTO RICAN BONDS AND BOND FUNDS, AND FAILING TO REDUCE THEIR RISK AND EXPOSURE AS THE PUERTO RICAN ECONOMY SUFFERED A SEVERE DOWNTURN AND ITS CREDIT RATINGS COLLAPSED.
<b>Product Type:</b>	Debt-Municipal Other: PR FUNDS
<b>Alleged Damages:</b>	\$65,000.00
<b>Is this an oral complaint?</b>	No
<b>Is this a written complaint?</b>	Yes
<b>Is this an arbitration/CFTC reparation or civil litigation?</b>	Yes
<b>Arbitration/Reparation forum or court name and location:</b>	FINRA
<b>Docket/Case #:</b>	14-01060



Filing date of arbitration/CFTC reparation or civil litigation: 04/03/2014

### Customer Complaint Information

Date Complaint Received: 04/15/2014  
Complaint Pending? No  
Status: Settled  
Status Date: 03/10/2016  
Settlement Amount: \$5,000.00  
Individual Contribution Amount: \$0.00

### Disclosure 19 of 19

Reporting Source: Individual  
Employing firm when activities occurred which led to the complaint: ORIENTAL FINANCIAL SERVICES

Allegations: THE CLAIMANTS ALLEGE UNSUITABLE OVER CONCENTRATION AND EXPOSURE OF THEIR BROKERAGE ACCOUNTS TO PUERTO RICO BOND FUNDS, UNSUITABLE INVESTMENTS IN RISKY PUERTO RICAN BOND FUNDS, AND FAILING TO REDUCE THEIR RISK AND EXPOSURE AS THE PUERTO RICAN ECONOMY SUFFERED A SEVERE DOWNTURN AND ITS CREDIT RATINGS COLLAPSED.

Product Type: Other: PR FUNDS

Alleged Damages: \$50,000.00

Is this an oral complaint? No

Is this a written complaint? Yes

Is this an arbitration/CFTC reparation or civil litigation? Yes

Arbitration/Reparation forum or court name and location: FINRA

Docket/Case #: 14-01060

Filing date of arbitration/CFTC reparation or civil litigation: 04/03/2014

### Customer Complaint Information

Date Complaint Received: 04/15/2014  
Complaint Pending? No  
Status: Settled  
Status Date: 03/10/2016  
Settlement Amount: \$7,500.00  
Individual Contribution Amount: \$0.00



## End of Report

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